



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Allied Production Management Co., Inc.
File: B-237129
Date: December 22, 1989

DIGEST

Agency reasonably found bidder nonresponsible where bidder failed to provide sufficient information to permit a finding that the individual sureties on its bid bond were acceptable.

DECISION

Allied Production Management Co., Inc., protests the rejection of its bid under invitation for bids (IFB) No. N62474-89-B-1343, issued by the Department of the Navy for alterations to family housing at the Naval Air Station, Moffet Field, California. The contracting officer rejected Allied's bid based on his determination that neither of the individual bid bond sureties had demonstrated a net worth equal to or exceeding the penal sum of the bond. Allied contends that the documentation it submitted on behalf of its sureties demonstrated each to be of sufficient net worth; in the alternative, the protester contends that it should be permitted to substitute two acceptable sureties for the ones rejected by the contracting officer.

We deny the protest.

The IFB required each bidder to provide a bid bond; Allied submitted a bond listing Richard Rowan and Lee Nixt as individual sureties. Based on Allied's submissions, the contracting officer could not accurately determine the sureties' net worths and requested additional documentation from Allied. Allied submitted further information. However, based on this information, the contracting officer concluded that Allied's sureties had not established their financial acceptability and rejected Allied as nonresponsible. This protest followed.

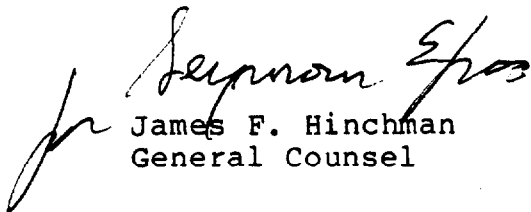
We have recently considered the identical issue of whether the Navy properly rejected Allied's bid based on a

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determination by the contracting officer that Messrs. Nixt and Rowan, Allied's two sureties, had failed to demonstrate net worths equal to or exceeding the penal sum of the bond. See Allied Production Management Co., Inc., B-236227.2, Dec. 11, 1989, 89-2 CPD ¶ ____ ; see also Allied Production Management Co., Inc., B-236121.2, B-236899, Dec. 18, 1989, 89-2 CPD ¶ ____. The documentation submitted by Allied on behalf of its sureties in those cases, and the documentary deficiencies noted by the agency, were virtually identical to the documentation and deficiencies here. The protester's arguments against the agency's rejection here also are essentially the same ones considered in the previous decisions. In our decision of December 11, we found that the agency reasonably determined that Allied failed to provide sufficient information to permit a finding that Messrs. Nixt and Rowan were acceptable sureties. We therefore concluded that the Navy properly found Allied nonresponsible. We also concluded that it was not permissible for Allied to replace the unacceptable sureties after bid opening because the sureties' liability is an element of responsiveness which must be established at the time of bid opening.

Since the circumstances here are virtually the same as those in our prior case, we see no basis for objecting to the contracting officer's decision to reject Allied's bids.

The protest is denied.


James F. Hinchman
General Counsel